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Before The POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

PUBLIC INQUIRY CONCERNING THE TERMS OF 39 U.S.C. § 404(d)

Docket No. PI2016-2

UNITED STATES POSTAL SERVICE COMMENTS ON THE INTERPRETATION OF TERMS RELATED TO 39 U.S.C. § 404(d) (February 5, 2016)

I. INTRODUCTION

This proceeding concerns the meaning of certain terms that are relevant to the Commission's jurisdiction over Postal Service determinations to close or consolidate Post Offices, pursuant to 39 U.S.C. § 404(d). In this comment, the Postal Service explains that it has already defined the terms found in section 404(d) through a transparent, public rulemaking process, and that those efforts should be accorded deference. The Postal Service supports the Commission's position in declining to assert jurisdiction over the relocation of postal retail units, but urges the Commission to reconsider its interpretation of stations, branches, and contractor-operated postal facilities as "post offices" subject to section 404(d). Finally, the Commission should remain mindful of the availability of alternative ways to access postal services besides a given retail counter.

II. THE POSTAL SERVICE SHOULD BE EXTENDED DEFERENCE IN DEFINING TERMS IN SECTION 404(d).

As the entity responsible for carrying out the policies behind section 404(d), the Postal Service should be extended deference in defining terms such as "closing" and "consolidation." The Postal Service must carry out the day-to-day, practical duties of

operating a national mailing system, and deciding on the most efficient arrangement of facilities, including post offices, is part of that responsibility.

A. The Postal Service has a policy responsibility for interpreting its own statutes.

As the policymaking agency responsible for executing Congressional mandates to operate the nation's mail system, the Postal Service should be accorded deference when reasonably interpreting the statutes that it administers. *Chevron, U.S.A., Inc. v. Natural Res. Def. Council, Inc.*, 468 U.S. 837, 844 (1984). In instances where an independent agency acts as a limited adjudicatory body, reviewing decisions of the agency with policymaking authority, courts have deferred to the interpretations of the policymaking body over those of the adjudicatory body, even if those interpretations implicate the adjudicatory body's jurisdiction.¹ Overall, this precedent indicates that "[w]hen the responsibility for administering an act has been split," a court is "to defer to the office that has the policy-making authority." *Director, Office of Workers' Comp. Programs, U.S. Dep't of Labor v. Gen. Dynamics Corp.*, 982 F.2d 790, 795 (2d Cir. 1992).

In the present context, Title 39 clearly indicates that policymaking discretion concerning the closure and consolidation of post offices is vested in the Postal Service. Congress committed decisions about the operating status of postal facilities, including Post Offices and other retail facilities, to the discretion

¹ See Martin v. Occupational Safety & Health Review Comm'n, 499 U.S. 144, 152-54 (1991) (because of OSHRC's limited role, deference should be extended to the Secretary of Labor's reasonable interpretation of the meaning of an ambiguous regulation promulgated under Occupational Safety and Health Act, over the contrary reasonable interpretation of OSHRC); Cuyahoga Valley Ry. Co. v. United Transp. Union, 474 U.S. 3, 7 (1985) (per curiam) (OSHRC must defer to Secretary of Labor's implementation of workplace safety standards); see also Sec'y of Labor, MSHA v. Nat'l Cement Co. of Cal., Inc., 494 F.3d 1066, 1073 (D.C. Cir. 2007); Olson v. FMSHRC, 381 F.3d 1007, 1011 (10th Cir. 2004).

of the Postal Service in the first instance, as part of the Postal Service's general authority to manage its operations.² It is within the context of this expansive grant of authority that the Postal Service is charged with determining "the necessity for the closing or consolidation of any post office" under section 404(d)(1). In exercising that authority, Congress gave the Postal Service specific policy parameters to follow: it must consider the effects of discontinuance actions on the community and employees, economic savings, and other policies of Title 39. 39 U.S.C. § 404(d)(2)(A). Congress further established notification, timing, and procedural requirements for determinations to discontinue Post Offices. 39 U.S.C. § 404(d)(1).

By contrast, the Commission's sphere of authority is limited to review, in specific cases where there is an appeal, of how the Postal Service exercises that primary responsibility. The Commission does not even have the power to supersede the Postal Service's discretion over the outcome of a closing or consolidation, beyond its limited authority to "suspend the effectiveness" of a Postal Service determination if the Commission finds that the Postal Service needs to pursue a more thorough decision-making process. *Id.* at § 404(d)(5). The scope of the Commission's review of the

² 39 U.S.C. § 404(a)(1), (3) (empowering the Postal Service "to provide for the collection, handling, transportation, delivery, forwarding, returning, and holding of mail [and] to determine the need for post offices, postal training facilities and equipment, and to provide such offices, facilities, and equipment as it determines are needed"); see also id. at § 403(b) ("It shall be the responsibility of the Postal Service . . . to establish and maintain postal facilities of such character and in such locations, that postal patrons . . . will, consistent with reasonable economies of postal operations, have ready access to essential postal services.").

Postal Service's decision to close or consolidate a post office is not *de novo*, as the Commission itself has recognized on several occasions.³

Like OSHRC in the case-law cited above, the Commission plays a limited, non-policymaking adjudicatory role. In fact, the Commission's role is even more constrained than that of OSHRC, since the Commission cannot modify or vacate the Postal Service's decision to close a Post Office. By contrast, the Postal Service is tasked with administering its network of retail facilities, including implementing the procedural requirements of section 404(d). These duties involve the same sort of large-scale evaluation, constant operational awareness, customer relations, and policymaking expertise that OSHA possesses in its respective context. Therefore, to the extent that "post office," "closing," and "consolidation" admit of any room for interpretation under section 404(d), the Postal Service's reasonable interpretation of those terms is entitled to *Chevron* deference. The Commission need not endeavor to redefine these terms to exercise its adjudicatory role under section 404(d)(5).⁵

³ See, e.g., Order No. 1866, Order Affirming Determination, PRC Docket No. A2013-5, *Glenoaks Station Post Office* (Oct. 31, 2013), at 6 ("Section 405(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service"); Order No. 2505, Order Dismissing Appeal, PRC Docket No. A2015-2, *Careywood Post Office* (May 27, 2015), at 9 (Commission's "limited authority" under Section 405(d)(5) means "where the Postal Service elects to close or consolidate a post office, the Commission may review the administrative record, but it cannot overturn or modify a post office closure or consolidation").

⁴ Thus, the Commission's authority under Section 404(d)(5) is quite different from its policymaking authority over the continuation or termination of "nonpostal services" under Section 404(e), for which Congress provided the Commission with specific policy guidelines. *Cf. United States Postal Serv. v. Postal Regulatory Comm'n*, 599 F.3d 705, 710 (D.C. Cir. 2010) (according Commission deference under *Chevron* in its interpretation of Section 404(e)(3)).

⁵ See Citizens for the Hopkins Post Office v. United States Postal Serv., 830 F. Supp. 296 (D.S.C. 1993) (applying Chevron in upholding the Postal Service's interpretation of the term "consolidation" in former Section 404(b)).

B. The Postal Service has already developed definitions for section 404(d) terms and related terms, after having solicited public comment through the rulemaking process.

In the course of several recent rulemakings, the Postal Service has undertaken the task of defining various terms in section 404(d). The Postal Service has also undertaken to give context to the concept of relocations that trigger procedural and notification requirements voluntarily established by the Postal Service. These rulemakings reflect not merely internal consultations within the Postal Service, but also rigorous public comment processes. As a result of these rulemakings, the Postal Service's regulations in 39 C.F.R. Part 241 now clarify definitions and concepts that relate to the universe of issues that arise in Commission appeal dockets, and furnish guidance regarding distinctions between post offices, stations and branches, discontinuances, consolidations, relocations, and rearrangements.

The Postal Service has defined the terms of section 404(d) faithfully and with the intent of the legislation that led to its enactment. For instance, key results of the 2011-2012 rulemaking regarding Post Office closures and consolidations include the following:

 Postal regulations provide that "post offices are established and maintained at locations deemed necessary to ensure that regular and

⁶ Post Office Organization and Administration: Establishment, Classification, and Discontinuance, 76 Fed. Reg. 17,794 (Mar. 31, 2011) (proposed rule); Post Office Organization and Administration: Establishment, Classification, and Discontinuance, 76 Fed. Reg. 41,413 (July 14, 2011) (first final rule); Post Office Organization and Administration: Establishment, Classification, and Discontinuance, 76 Fed. Reg. 43,898 (July 22, 2011) (correction); Post Office Organization and Administration: Establishment, Classification, and Discontinuance, 76 Fed. Reg. 66,184 (Oct. 26, 2011) (second final rule); Post Office Organization and Administration: Establishment, Classification, and Discontinuance, 77 Fed. Reg. 46,950 (Aug. 7, 2012) (final rule).

⁷ Relocating Retail Services; Adding New Retail Service Facilities, 79 Fed. Reg. 63,880 (Oct. 27, 2014) (proposed rule); Relocating Retail Services; Adding New Retail Service Facilities, 80 Fed. Reg. 9,190 (Feb. 20, 2015) (final rule).

effective postal services are available to all customers within specified geographic boundaries." This includes Postal Service-operated retail facilities operated or staffed by a postmaster, or by an employee at the direction of a postmaster, including when the postmaster is not physically present. 39 C.F.R. § 241.1.

- Remotely Managed Post Offices (RMPOs) offer "part-time window service hours, . . . staffed by a Postal Service employee under the direction of a postmaster, and report[ing] to the Administrative Post Office." 39 C.F.R. § 241.3(a)(2)(vi).
- Part-Time Post Offices (PTPOs) "offer[] part-time window service hours,
 [and are] staffed by a Postal Service employee . . . , report[ing] to a district office." 39 C.F.R. § 241.3(a)(2)(vii). Thus, both RMPOs and PTPOs are included in the definition of "Post Office" in 39 CFR Part 241.1.
- Discontinuances are defined in 39 C.F.R. § 241.3(a)(2)(v) as either a closure or a consolidation. This definition encompasses two defined terms: "clos[ure]," which is an action in which post office operations are permanently discontinued without providing a replacement facility in the community, 39 C.F.R..§ 241.3(a)(2)(iii); and "consolidation," which encompasses any action in which a Postal Service-operated retail facility is converted into a contractor-operated retail facility that reports to a Postal Service-operated retail facility.

In a 2014-2015 rulemaking, the Postal Service also undertook to revise procedures related to relocation actions.⁸ In the course of that rulemaking, the Postal Service identified the context in which relocations arise, and made clear that the procedures related to relocations and similar actions were independent of section 404(d) and 39 C.F.R. § 241.3.

Even before undertaking to formally define terms such as stations and branches, the Postal Service recognized distinctions between those facilities and post offices. In fact, when conducting rulemaking in 1977, shortly after the passage of the legislation establishing the section 404(d) (then 404(b)) appeal process, the Postal Service referenced this longstanding distinction in responding to public comment on its rulemaking:

A number of the letters we received supporting the retention of particular postal facilities dealt with postal stations or branches, urban or rural. We welcome community involvement [about such decisions] But by long tradition, postal laws and regulations have placed decisions with respect to stations and branches on a more flexible and decentralized basis than decisions concerning post offices, with the result that stations and branches tend to be changed more frequently than post offices are changed. This is most apparent in the case of contract stations and branches....

Regulations on the Discontinuance of Post Offices, 42 Fed. Reg. 59079, 59082 (November 15, 1977) (final rule).

Thus, even nearly 40 years ago, the Postal Service noted an established practice to distinguish between stations and branches and post offices.

Finally, although not revised in the 2011-2012 rulemaking, postal regulations have also long defined stations and branches in 39 C.F.R. § 241.2, providing that they

⁸ 79 Fed. Reg. 63,880; 80 Fed. Reg. 9,190.

are established either within or outside of the corporate limits or boundaries of the city, town, or village in which the main post office is located. The regulations in 39 C.F.R. Part 241 have accordingly established clear, understandable distinctions between these different types of Postal Service facilities.

Handbook PO-101⁹ provides further guidance to Postal Service personnel on implementation of provisions of the statute. Handbook PO-101 also includes definitions such as community" and "consolidation," and gives context to the concept of "suspension". It also incorporates definitions developed in the rulemaking process. The Handbook provides comprehensive procedural and definitional clarity for Postal Service personnel and the public to understand how section 404(d) is applied in practice.

In summary, the Postal Service's rulemaking process has addressed many of the interpretational issues raised in this docket. The Commission need not duplicate these efforts. In the interest of comity, the Postal Service encourages the Commission to take official notice of the Postal Service's promulgation of definitions in its regulations implementing section 404(d) and incorporate those concepts into its own adjudicatory decision-making context.

C. Specific examples of the Postal Service's response to public comment in the rulemaking process indicate a participatory, transparent process.

To the extent that the Commission is motivated by a desire for transparency and public input as to the relevant terms, it should be noted that the Postal Service adopted its definitional regulations through a transparent process that considered the public's views. In its July 14, 2011, final rule, the Postal Service acknowledged that a number of

⁹ Handbook PO-101, Postal Service-Operated Retail Facilities Discontinuance Guide (Oct. 2012). Handbook PO-101 is a regulation of the Postal Service. 39 C.F.R. § 211.2(a)(3).

the commenters seemed concerned that the revisions to postal regulations would make it easier to close retail facilities, denying citizens "due process protections for stations and branches." 76 Fed. Reg. at 41,414. The Postal Service, in turn, addressed those concerns by clarifying the scope of the revisions and by taking them into consideration in subsequent iterations of the final rule, reassuring the public that the revisions would in fact result in greater transparency. *Id.* at 41,413-41,414.

In the same final rule, a commenter suggested that basing the application of section 404(d) on the identity of a "retail facility operator might not have universal validity" and that discontinuance procedures should also apply to Contract Postal Units (CPUs). The Postal Service addressed this commenter's concerns by explaining that the "exigencies of contracting relationships make it impractical to harmonize their discontinuance . . . with the procedures required for discontinuance of Postal Service-operated facilities." *Id.* at 41,416-41,417.

These are just two examples of the Postal Service's dialogue with public commenters and stakeholders, which has informed the development of these discontinuance-related rules, while satisfying both the Postal Service's and the Commission's desire for transparency in the process.

- III. THE COMMISSION HAS DEPARTED FROM CONGRESS'S INTENT AS TO THE SCOPE OF SECTION 404(d).
 - A. The Commission's assertion of jurisdiction over stations and branches is inconsistent with the spirit, intent, and history of section 404(d).

The plain language of the statute, particularly as read in accordance with Congress's interpretation and legislative intent, suggests that the term "post office" does not include stations or branches. Accordingly, the Postal Service has consistently

sought to define the term in this technical sense. The Commission has interpreted the statute differently, and has "repeatedly held that Section 404(d) provides appeal rights to persons served by post offices that are labeled for administrative purposes as stations or branches." Order No. 1866, *Glenoaks Station, supra,* at 11 and fn.13 (citing numerous prior Commission rulings).

The Postal Service submits that including stations and branches within the scope of section 404(d) impedes the effective management and operational authority of the Postal Service and ignores the fact that the Postal Service itself is charged with the day-to-day, practical field operations and management decisions. Almost all stations and branches are found in urban areas, where operational management flows from a central facility or Main Post Office located in the same community. Customers of stations and branches accordingly have multiple options for retail service, including not only other Postal Service-operated retail units, but also alternate access through other providers, such as CPUs, Village Post Offices, stamp consignees, <u>usps.com</u>, Self-Service Kiosks, and other alternatives to traditional brick-and-mortar retail facilities.

The Commission's asserted jurisdiction over Postal Service operational and management decisions for such stations and branches is not supported by the legislative history of the amendments to the Postal Reorganization Act that led to the enactment of section 404(d). For example, the Conference Report on the 1976 amendments to the Postal Reorganization Act states simply that "the managers intend that this provision apply to post offices only and not to other postal facilities." H.R. Conf. Rep. No. 1444, at 18, *reprinted in* 1976 U.S.C.C.A.N. 2434, 2440.

The Postal Service has looked to the legislative history of the Postal Reorganization Act and its predecessor legislation, as well as court precedent, in support of this position; however, these arguments have not persuaded the Commission. The Postal Service once again urges the Commission to refrain from exercising jurisdiction over appeals involving stations and branches. As the Postal Service explained in its Comments Regarding Jurisdiction under (Current) section 404(d) in *East Elko*, Docket No. A2010-3, these facilities were not intended to be within the scope of section 404(d).

B. The Commission's jurisdiction over contractor-operated retail units impedes effective management of the Postal Service.

The Postal Service asserts that proper oversight by the Commission over Postal Service activity should not include the termination of a CPU arrangement with a private entity, which is a contractual matter for the Postal Service to work out in its discretion. In its *Knob Fork* opinion, ¹³ the Commission ruled that the closing of a "sole source" CPU (that is, one determined to be the last retail facility in a community) gives rise to its appeal jurisdiction under former section 404(b) (now section 404(d)). In asserting jurisdiction over such a matter, the Commission has created additional complications for effective management of the Postal Service and its charge under the Postal Reorganization Act to function like a business.

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¹⁰ See, e.g., Order No. 1866, Glenoaks Station, supra, at 11.

¹¹ Comments of the United States Postal Service Regarding Jurisdiction under (Current) Section 404(d), PRC Docket No. A2010-3, *East Elko Station* (April 19, 2010).

¹² The Postal Service does not endeavor to repeat those comments in the instant set of comments.

¹³ Commission Opinion Remanding Determination for Further Consideration, 39 U.S.C. § 404(b)(5), PRC Docket No. A83-30, *Knob Fork, West Virginia* (Jan. 18, 1984), at 8.

In addition, declaring the ending or termination of a CPU contract to be a "Post Office Closing" can lead to poor business outcomes for the Postal Service. Consider a CPU contractor, armed with the knowledge that its facility is the last remaining retail presence in a community. That contractor would be able to hold the Postal Service hostage in renewal negotiations by making unreasonable demands, since it knows the Postal Service has no choice but to do business with it. The Postal Service should not be subjected to such business dealings, where one party holds unreasonable leverage over the other; yet that is the potential impact of the Commission's asserted jurisdiction over the closing of sole-source CPUs.

IV. THE COMMISSION HAS APPROPRIATELY RECOGNIZED THAT "RELOCATIONS" ARE NOT THE SAME AS "CLOSINGS."

The Commission has consistently held that relocations do not fall within the realm of section 404(d) as grounds for appeal. In decisions such as *Oceana*,¹⁴ *Venice*,¹⁵ and more recently, *Santa Monica*,¹⁶ the Commission has rightly concluded that relocations are distinct from closings and are not subject to section 404(d)(5).

A. USPS and PRC are in agreement on this point.

In multiple appeal decisions, the Commission has developed precedent to the effect that, as long as the Postal Service provides the same *level of service* to a community, the fact that it rearranges or relocates *where* it provides those services within the community is not tantamount to a "closing" or "discontinuance" under section

¹⁴ Order No. 436, Order Dismissing Docket, PRC Docket No. A82-10, *Oceana Station* (June 25, 1982).

¹⁵ Order No. 1166, Order Dismissing Appeal, PRC Docket No. A2012-17, *Venice Post Office* (Jan. 24, 2012).

¹⁶ Order No. 1588, Order Granting Motion to Dismiss, PRC Docket No. A2013-1, *Santa Monica Post Office* (Dec. 19, 2012).

404(d). In *Oceana*, the Commission ruled "the Postal Service is not required to follow the formal section 404(b) [now 404(d)] procedure when it is merely *rearranging its retail facilities in a community.*" Order No. 436, *supra*, at 8 (emphasis added). The Commission has followed this logic in more recent decisions as well.¹⁷

The Commission's rulings in the above relocation decisions recognize appropriate jurisdictional boundaries, as they reflect the concept that the Postal Service must "establish and maintain postal facilities [to provide] ready access to essential postal services." 39 U.S.C. § 403(b)(3). The Commission has properly exercised its jurisdiction in declining to extend appeal procedures for such relocations and rearrangements, since these actions involve discretionary operational decisions and do not constitute section 404(d) discontinuance actions.

B. The Commission should continue to follow its own established jurisprudence in this area.

For over 30 years, the Commission has developed a clear line of reasoning, distinguishing between "closings" and "relocations." The Commission's basic logic is that relocation within a community allows the Postal Service to rearrange its retail services to best meet the postal needs of that community, in an effective and efficient manner. Such rearrangement is precisely the sort of operational decision that should be left to the Postal Service to plan for and finalize as a matter of policy under the Postal Reorganization Act.

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¹⁷ See, e.g., Order No. 1136, *Venice*, *supra*, at 8 (planned relocation of Main Post Office to carrier annex not subject to review under Section 404(d)); Order No. 1588, *Santa Monica*, *supra*, at 4 ("relocation of retail operations within a community does not constitute a closing or consolidation within the meaning of section 404(d)"); Order No. 1802, Order Granting Motion to Dismiss, PRC Docket No. A2013-6, *Bronx General Post Office* (Aug. 8, 2013), at 3-4 (even where Postal Service has not identified new location for post office serving a community, its announced relocation of current facility does not constitute a closing, since "Congress, through 39 U.S.C. § 404(d), has conferred appellate jurisdiction on the Commission only under limited circumstances").

The Commission has even acknowledged that its traditional distinction has "worked reasonably well" "for more than 30 years." Order No. 1866, *Glenoaks Station, supra,* at 12. There is no reason why it cannot continue to do so.

V. THE COMMISSION SHOULD CONTINUE TAKING BROADER ACCESS TO POSTAL SERVICES INTO ACCOUNT IN PROCEEDINGS UNDER SECTION 404(d).

The Postal Service is sensitive to the needs of communities for broader access to postal services, consistent with its universal service obligation. See 39 U.S.C. § 403(b)(3). As technology evolves, the Postal Service has worked diligently to provide this broader access through all available means, both in conjunction with brick-and-mortar facilities and beyond their reach. Recent technological advances and general improvements to communication, transportation, and infrastructure, now offer postal customers more access to postal services than at any time in history. Increasingly, customers are engaging the Postal Service through means other than the window counter of their local retail facility. As the Postal Service acknowledged in its 2011-2012 rulemaking:

[t]oday, retail services are available to customers through a variety of channels beyond traditional brick-and-mortar facilities, such as http://www.usps.com Web site, Automated Postal Centers [now known as Self-Service Kiosks], non-city delivery carriers, stamp consignment locations such as grocery stores, and Stamps by Mail, Fax, and Phone.

... Moreover, before the Postal Service can reach any final determination on a proposed discontinuance, 39 U.S.C. 404(d) requires the Postal Service to consider (among other things) the effect on the community[.] In virtually all cases, this means careful consideration of the utility provided by alternate access channels.

76 Fed. Reg. at 41,416.

The Commission has likewise recognized that the provision of postal services has evolved since 1976, and that brick-and-mortar retail facilities are no longer as all-

important a determinant of public access to postal services as they once were. In its *Careywood* decision, the Commission concluded that the CPU serving the relevant community was not the sole source of postal services to that community. In reaching this decision, the Commission considered several factors, including the presence of another postal retail facility less than a 10-minute drive away, the *usps.com* website, and the availability of rural carriers to provide multiple services along their routes. Order No. 2505 at 11-13. Similarly, in its Notice and Order establishing this public inquiry proceeding, the Commission has recognized technological and other advancements as impacting the sole-source CPU standard:

[I]n the past 3 decades since the sole source standard was set forth in *Knob Fork*, there have been advancements in technology, creation and expansion of commercial business centers, evolution of the postal retail network, and different modes of transportation[.] The sole source standard is not based simply on whether a facility is the only postal retail service facility located in a community. The standard is whether that retail facility is the sole provider of services to a community.

Order No. 2862, Notice and Order Seeking Comments on Commission Jurisdiction Over Postal Service Determinations to Close or Consolidate Post Offices, PRC Docket No. PI2016-2 (Dec. 10, 2015), at 8-9. With the increasing availability of non-traditional access to postal retail services, it is clear that the Commission's mindfulness of such options is entirely appropriate in exercising restraint in interpreting applicable provisions of section 404(d).

VI. CONCLUSION

As the policy-making entity responsible for the day-to-day operation and management of the nation's postal system, the Postal Service is in the best position to define the terms under section 404(d) relevant to the execution of those duties; such

terms include "closing," "consolidation," as well as related postal regulatory terms, such as "relocation" and "rearrangement." The Postal Service should be accorded deference in defining these terms under the *Chevron* doctrine. In fact, the Postal Service has defined several terms through its rulemaking processes, resulting in a revised version of 39 C.F.R. Part 241, as well as Handbook PO-101.

Various Commission rulings as to what constitutes a closing or consolidation, as it relates to Postal Service facilities other than "Post Offices" (including stations, branches, and CPUs), can work to impair the Postal Service's effective and efficient management of its retail facility network. By contrast, the Commission's holdings on relocations and rearrangements, which it has ruled are not subject to section 404(d) jurisdiction, recognize appropriate jurisdictional boundaries, and so no further effort aimed at defining these terms is necessary.

Finally, the Postal Service agrees with the Commission's observations that modern changes in alternate access channels are an important consideration when judging whether a community is receiving adequate access to postal services.

Respectfully submitted,

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